**Problem set 1: Supply And Demand**

[矩阵文本题] \*

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| Your name： | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| ECNU student number： | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

1. Which of the following is an accurate description of the primary theme of microeconomics? [单选题] \*

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| Analyzing tradeoffs. |
| All of these.(正确答案) |
| Studying how individuals and firms make themselves as well off as possible given conditions of scarcity. |
| A set of constrained optimization problems. |

2. What is a model? [单选题] \*

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| A description of an economic phenomenon that makes no extra assumptions. |
| An empirical study that analyzes how a certain part of the economy works. |
| A full description of a particular economic phenomenon. |
| Any description of the relationship between two or more economic variables.(正确答案) |

3. What is the key assumption in microeconomics? [单选题] \*

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| Individuals maximize their income. |
| Individuals maximize utility and firms maximize profits.(正确答案) |
| Firms maximize sales. |
| Firms maximize profits. |

4. What is the distinction between empirical and theoretical economics? [单选题] \*

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| Theoretical economics analyzes long-term phenomena and empirical economics analyzes short-term. |
| Theoretical economics analyzes individuals and empirical economics analyzes firms. |
| Theoretical economics builds models, and empirical economics test them.(正确答案) |
| Theoretical economics tests models, and empirical economics builds them. |

5. Which of the following statements represents normative, rather than positive analysis? [单选题] \*

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| The demand for organ transplants currently far exceeds the supply. |
| People should not be allowed to purchase bodily organs, because it allows the rich access to a life-saving procedure that the poor may not have access to.(正确答案) |
| Since the supply of gems is limited, their price is very high. |
| Since the supply of water is very large, the price of water is very low. |

6. What determines the price and quantity of a good in a perfectly competitive market? [单选题] \*

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| The presence or absence of substitute goods. |
| The position of the demand curve. |
| The intersection of the supply and the demand curve.(正确答案) |
| The government. |

7. Assume that people enjoy eating either apples or oranges. What happens in the market for oranges when the price of apples goes up?     [单选题] \*

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| The demand curve shifts right.(正确答案) |
| The supply curve shifts left. |
| The demand curve shifts left. |
| There is no change in the demand curve. |

8. Now, assume there is a frost in Florida that destroys part of the orange crop. What happens to the market for oranges in this case? [单选题] \*

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| The demand curve shifts right. |
| There is no shift in the demand or supply curves. |
| The supply curve shifts up.(正确答案) |
| The supply curve shifts down. |

9. The government imposes a minimum wage for workers. Which of the following phenomena is NOT a consequence of this policy change? [单选题] \*

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| Unemployment. |
| Decreased demand for labor by employers. |
| A decline in the average wage paid.(正确答案) |
| Increased supply of labor by workers. |

10. What is a potential cost of disequilibrium in a market? [单选题] \*

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| Cost of waiting for people queuing for a good that is in demand. |
| Efficiency loss (trades that don't get made). |
| Cost of determining allocation for goods that are highly demanded. |
| All of these.(正确答案) |